

ORIGINAL

Trillium Cellular Corporation  
Application of Ameritech  
State of Michigan

Before the  
**FEDERAL COMMUNICATIONS COMMISSION**  
Washington, D.C. 20554

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In the Matter of )  
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Application of Ameritech ) CC Docket No. 97-137  
Michigan Pursuant to Section )  
271 of the Telecommunications )  
Act of 1996 to Provide )  
In-Region, InterLATA Services )  
in Michigan )

To: The Commission, en banc.

OPPOSITION COMMENTS

TRILLIUM CELLULAR CORPORATION ("Trillium"), by its attorney, hereby respectfully submits its comments to the Federal Communications Commission in opposition, as hereinafter set forth, to the captioned application by Ameritech. As its comments in opposition thereto, Trillium respectfully shows:

Trillium is the A-band cellular carrier in the Michigan 3 - Emmet Rural Service Area, Market No. 474A. As part of its cellular network, Trillium has established a Type 2A interconnection with Ameritech at its tandem office in Traverse City, MI. In August 1996, Trillium requested a "fresh look" by Ameritech at the interconnection arrangements between itself and Ameritech, as authorized by the Commission in its First Report and Order in CC Docket No. 96-98, et al. (the "FR&O").

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Negotiations between Trillium and Ameritech could be concluded only by the parties reserving certain issues and proceeding with an agreement as to other issues, most notably including the repricing of Ameritech's transport and termination charges and the implementation of reciprocal compensation for certain classes of Trillium's traffic. As a practical matter, Trillium was forced to proceed in this manner because the repricing of transport and termination charges pursuant to the standards of the Telecommunications Act of 1996 (the "Act") inarguably results in a substantial reduction in interconnection charges paid to Ameritech for the majority of Trillium's traffic. Ameritech thus used this economic leverage to force Trillium to execute an agreement, which was submitted to the Michigan Public Service Commission for approval on May 9, 1997, in MPSC Case No. U-11400, and remains pending at this time.

The captioned application is an attempt by Ameritech to obtain authorization to provide in-region long distance (i.e., in-region interLATA) services pursuant to the procedures established in the Act. In particular, Section 271 of the Act imposes a number of requirements that must be satisfied before any BOC can be authorized to provide in-region, interLATA services, including "full[] implement[ation]" of the "competitive checklist" specified in Section 271(c) (2) (B) of the Act.

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One of the explicit requirements of the "competitive checklist" is that the BOCs provide "[i]nterconnection in accordance with the requirements of section[] ... 252(d)(1)," which establishes pricing standards for transport and termination of local traffic interchanged between Ameritech and cellular carriers such as Trillium. A second explicit requirement of the "competitive checklist" is that the BOC implement "[r]eciprocal compensation arrangements" as mandated by Section 251(b)(5) of the Act. However, explained below, Ameritech has not "fully implemented" either of those requirements in Michigan with respect to cellular carriers, and thus has not met the statutory test for grant of in-region interLATA service authorization.

One of the interconnection arrangements offered by Ameritech to cellular carriers in Michigan is an arrangement it now refers to as "Type 2, Billing Option 1". Under this arrangement, a cellular carrier may elect to pay usage sensitive switching and transport charges for a land-to-mobile call which originates at a landline exchange office subtending the tandem to which the cellular carrier has a Type 2A connection, but which is outside the Extended Area Service ("EAS") boundary otherwise associated with the landline exchange in which the cellular carrier's switch or "MTSO" is located.<sup>1</sup> As a result, under "Type 2, Billing

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<sup>1</sup> The offering is described in 1st Revised Page 13 of Michigan Bell Telephone Company Tariff M.P.S.C. No. 20R, Part 14,

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Option 1" the landline party in the "distant" exchange can call a cellular mobile without paying the intrastate toll charges that would otherwise apply to such call.

As an example, the Petoskey exchange operated by Ameritech in Petoskey, MI, is located within Trillium's authorized Cellular Geographic Service Area ("CGSA") in Michigan 3, but is 53 miles away from Traverse City and thus is a toll call to and from Traverse City for landline calls. Accordingly, a landline Ameritech customer served by the Petoskey exchange ordinarily would incur a toll charge every time it called a cellular mobile served by Trillium (because Trillium's MTSO is at Traverse City), even when the cellular mobile is physically present in the Petoskey exchange at the time the call is completed.

Under the Type 2, Billing Option 1 interconnection arrangement offered by Ameritech, however, that call is dialed just like a local call by the landline calling party, and no toll or other charges associated with the call appear on its telephone bill.

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Section 6, at ¶C.6.a, in the following terms:

The [Cellular Carrier] may choose, for each NXX code implemented, to pay all the charges for the switching and transporting of all originating calls from [Ameritech's] end office where the call originates to the [Cellular Carrier's] premises under the rates and charges specified in this tariff. This billing option applies only for [Ameritech's] end offices which sub-tend [an Ameritech] access tandem at which the [Cellular Carrier] has purchased a Type 2A or Type 2T service.

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Instead, usage sensitive charges for the call are billed directly to and paid by Trillium. This interconnection arrangement has proved very useful in stimulating land-to-mobile calls within Trillium's CGSA.

Because the end offices subtending Ameritech's Traverse City tandem are all located within the same Major Trading Area, the charges to Trillium for Type 2, Billing Option 1 traffic necessarily constitute charges for local transport and termination within the meaning of the Commission's FR&O. As such, Ameritech is obligated to provide such transport and termination to Trillium at charges determined by the pricing principles set forth in Section 252(d)(1) of the Act.

However, Ameritech has not done so and steadfastly refuses to do so. This Commission may take official notice of the interconnection agreement between Trillium and Ameritech submitted for approval to the Michigan PSC in Case No. U-11400 (the "Interconnection Agreement"). As set forth therein, at Ameritech's insistence, the agreement specifically excludes Type 2, Billing Option 1 traffic (defined in §1.27) from the transport and termination charges otherwise applicable to cellular traffic, and Ameritech instead continues to charge for such traffic under "then-existing tariffed access charges".<sup>2</sup>

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<sup>2</sup> Under Section 5 of the Interconnection Agreement (denoted "Elected Services"), Trillium must "elect[]" to "continue in

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The transport and termination charges otherwise established by Ameritech in Michigan for Type 2 traffic in the Interconnection Agreement are \$0.006489 per minute for cellular originated Type 2A local traffic terminated on Ameritech's network, and \$0.004954 per minute for cellular originated Type 2B local traffic terminated on Ameritech's network.<sup>3</sup> By contrast Ameritech's current charges for Type 2, Billing Option 1 traffic are \$0.020845 per Minute of Use (MOU) plus \$0.000040 per mile per MOU.<sup>4</sup> Stated another way, Ameritech's charges for what it calls

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effect" the Type 2, Billing Option 1 arrangement, and if it does so, it must "pay the then-existing tariffed access charges for calls terminated to it pursuant to such service". The complete text of Section 5.1 reads as follows:

[Trillium] hereby elects to continue in effect Ameritech's Type 2 Billing Option 1 for the NXX codes currently active under this billing option and for such additional NXX codes as may be designated in the future. Under Billing Option 1, Carrier agrees to pay the then-existing tariffed access charges for calls terminated to it pursuant to such service. [Trillium] may revoke such service by providing Ameritech at least thirty (30) days prior written notice.

<sup>3</sup> Interconnection Agreement at Attachment A. According to Ameritech, the postalized rates are based on an average local transport distance of 18 miles.

<sup>4</sup> The charge consists of a Tandem Switched Termination charge of \$0.00031 per MOU; a Tandem Switched Transport Facility charge of \$0.000040 per mile per MOU, or \$0.00072 for an haul of 18 miles; a "Residual Charge" element of \$0.007117 per MOU; a Tandem Switching charge of \$0.00114 per MOU; a Local Switching charge of \$0.01038 per MOU; and a Public Mobile Carrier Usage Charge element of \$0.001898 per MOU. For an average local transport distance of 18 miles comparable to Ameritech's otherwise applicable transport and termination charge, the charge for

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Type 2, Billing Option 1 traffic are more than 330 percent of its charges for transport and termination under Section 252(d)(1) and (2) of the Act.

Similarly, Ameritech categorically excludes Type 2, Billing Option 1 traffic from the reciprocal compensation provisions of its interconnection agreement.<sup>5</sup> Ameritech steadfastly insists upon doing so notwithstanding that such traffic involves the "transport and termination" of calls that "originate on the network facilities of [Ameritech]" and, thus, is plainly within the ambit of Section 252(d)(2) of the Act.

When challenged, Ameritech argues, without elaboration, that Type 2, Billing Option 1 is merely an optional billing device and not an interconnection arrangement within the scope of Section 252(d)(1) and (2) of the Act. Wholly apart from the fact that the argument is factually incorrect,<sup>6</sup> the statute does not dis

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Type 2, Billing Option 1 traffic thus is \$0.020845 per MOU compared to \$0.006489 for Type 2A traffic and \$0.004954 for Type 2B traffic.

<sup>5</sup> Section 3.3(e) of the Interconnection Agreement expressly excludes Type 2, Billing Option 1 from the reciprocal compensation provisions of the agreement. That section simply states in relevant part that "Reciprocal Compensation shall not apply to ... (e) Calls for which the terminating Party has elected to pay the originating party, including Type 2, Billing Option 1 Traffic".

<sup>6</sup> Typically, as an example, Ameritech implements special dialing arrangements as part of its implementation of this interconnection arrangement, so that the landline calling party dials only seven digits, rather than the 1+ seven or ten digits nor-

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tinguish among types of interconnection arrangements to which the pricing principles of Section 252(d) apply. Thus, so long as there is a physical connection of carrier facilities "for the transmission and routing of telephone exchange service and exchange access" within the meaning of Section 251(c)(1)(A) of the Act -- which is plainly the case with Type 2, Billing Option 1 traffic -- the pricing and compensation principles established in Section 252(d)(1) and (2) apply without exception. There is thus no support in the Act whatsoever for exempting Type 2, Billing Option 1 traffic from those sections of the Act, as Ameritech is doing.

Alternately, Ameritech argues that Type 2, Billing Option 1 is merely an optional service provided by Ameritech which it is free to discontinue at any time and will discontinue if forced to offer it under Section 252(d)(1) and (2) standards. Again, Ameritech simply blinks its legal obligations without justification. Section 20.11 of the Commission's rules, which antedates Section 252 of the Act, explicitly states in relevant part that Ameritech "*must provide* the type of interconnection reasonably requested by [Trillium] within a reasonable time after the request". (Emphasis added). Plainly, therefore, Ameritech lawfully is not at liberty to refuse to provide the intercon-

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mally required for a toll call to Traverse City.



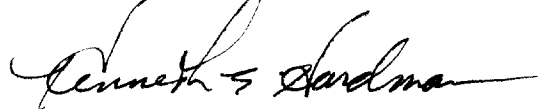
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nection arrangement it has chosen to call Type 2, Billing Option 1; nor is it lawfully at liberty to refuse to comply with the pricing and related requirements of Section 252(d)(1) and (2) of the Act in connection with such interconnection arrangement. Nonetheless, Ameritech continues to do so without justification.

Under these circumstances, Ameritech has not in fact "fully implemented" the competitive checklist in Section 271(c)(2)(B) of the Act. Accordingly, its captioned application lawfully may not be granted.

Respectfully submitted,

TRILLIUM CELLULAR CORPORATION



By: Kenneth E. Hardman

Its Attorney

MOIR & HARDMAN  
2000 L Street, N.W.  
Suite 512  
Washington, DC 20036  
Telephone: (202) 223-3772  
Facsimile: (202) 833-2416

Dated: June 10, 1997

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CERTIFICATE OF SERVICE


I hereby certify that I have this 10th day of June, 1997, served the foregoing Opposition Comments of Trillium Cellular Corporation upon the applicant, the Department of Justice, the Michigan Public Service Commission, and the Commission's official contractor by mailing a true copy thereof, first class postage prepaid, to each such party as shown on the following list:

Kelly R. Welsh, Esquire  
Ameritech Corporation  
30 South Wacker Drive  
Chicago, IL 60606

Donald J. Russell, Esquire  
United States Department of Justice  
Telecommunications Task Force  
Antitrust Division  
555 - 4th Street, N.W., Room 8205  
Washington, DC 20001

Secretary  
Michigan Public Service Commission  
6545 Mercantile  
Lansing, MI 48909

ITS, Inc.  
1231 - 20th Street, N.W.  
Washington, DC 20036

  
Kenneth E. Hardman